Hospice Benefits Under Medicare

HOSPICE BENEFITS UNDER MEDICARE

Hospice, which is a special way of caring for a patient whose disease cannot be cured, is available as a benefit under Medicare hospital insurance (Part A). Medicare beneficiaries who elect hospice care receive a full scope of non-curative medical and support services for their terminal illness while continuing to live in their own homes. This pamphlet explains the special rules that govern Medicare's coverage of, and payment for, hospice care.

WHAT IS HOSPICE CARE?

Under Medicare, hospice is primarily a comprehensive home care program which provides all the reasonable and necessary medical and support services for the management of a terminal illness. Covered services include physician services, nursing care, medical appliances and supplies (including outpatient drugs for symptom management and pain relief), home health aide and homemaker services, therapies, medical social services, and counseling. In addition to the broad range of outpatient services, short-term inpatient care is also covered. When a patient receives these services from a Medicare-certified hospice, Medicare hospital insurance pays almost the entire cost. The only expense to the beneficiary is limited cost-sharing for outpatient drugs and inpatient respite care (see page 4).

WHO IS ELIGIBLE?

Hospice care is available only if:

- The patient is eligible for Medicare hospital insurance (Part A);
- The patient's doctor and the hospice medical director certify that the patient is terminally ill;
- The patient signs a statement choosing hospice care instead of standard Medicare benefits for the terminal illness and;
- The patient receives care from a Medicare-certified hospice program.

WHO CAN PROVIDE HOSPICE CARE?

Hospice care can be provided by a public agency or private organization that is primarily engaged in furnishing services to terminally ill individuals and their families. To receive Medicare payment, the agency or organization must be certified by Medicare to provide hospice services. Certification is required even if the agency or organization is already approved by Medicare to provide other kinds of health services. A patient can find out whether a hospice program is certified by Medicare by asking his or her physician or checking with the agency or organization offering the program. This information also is available from local Social Security offices.

HOW LONG CAN HOSPICE CARE CONTINUE?

Special benefit periods apply to hospice care. A Medicare beneficiary may elect to receive hospice care for two 90-day benefit periods and one subsequent 30-day benefit period for a total of 210 days. If there is a need for hospice care beyond 210 days, it can be extended indefinitely. The benefit periods may be used consecutively or at intervals. Regardless of whether they are used one right after the other or at different times, the patient must be certified as terminally ill at the beginning of each benefit period.

A patient electing hospice care may change hospice programs once each benefit period. A patient also has the right to cancel hospice care at any time and return to standard Medicare coverage. If cancellation is made before the end of either 90-day benefit period any days left in the period are lost, but the patient is still eligible for the remaining benefit periods. For example: if a patient cancels at the end of 60 days in the first 90-day benefit period, the remaining 30 days in the period are forfeited. However, the patient is still eligible for the second 90-day period, the 30-day period, and the indefinite period. If cancellation occurs during or after the 30-day benefit period, the patient cannot use the hospice benefit again.

HOW IS PAYMENT MADE?

Medicare pays the hospice directly at specified rates depending on the type of care given each day. The patient is responsible only for the following co-payments:

- Drugs or biologicals: The hospice can charge 5 percent of the reasonable cost, up to a maximum of $5, for each prescription for outpatient drugs or biologicals for pain relief and symptom management.
- Respite care: The hospice may periodically arrange for inpatient care for the patient to give temporary relief to the person who regularly provides care in the home. Respite care is limited each time to stays of no more than 5 days. The patient can be charged about $3.25 per day for each day of respite care. The charge varies slightly depending on the geographic area of the country.

ARE OTHER MEDICARE BENEFITS AVAILABLE IN ADDITION TO HOSPICE CARE?

When a Medicare beneficiary chooses hospice care, he or she gives up the right to standard Medicare benefits for treatment of the terminal illness. Medicare pays the entire cost of the covered services required to manage the illness, except for the co-payments for respite care and outpatient prescription drugs and biologicals. A hospice patient can, however, qualify for standard Medicare benefits if:

- The patient has Medicare medical insurance (Part B) and the patient's attending physician is not working for the

hospice. In that case, Medicare Part B will help pay for the physician's services. Medicare pays 80 percent of the approved amount for covered services after the patient meets the Part B annual deductible of $75.

- The patient requires covered Medicare services for the treatment of a condition unrelated to the terminal illness.

All services required for treatment of the terminal illness must be provided by or through the hospice. When a Medicare beneficiary chooses hospice care, Medicare will not pay for:

- Treatment for the terminal illness which is not for symptom management and pain control;
- Care provided by another hospice that was not arranged by the patient's hospice;
- Care from another provider which duplicates care the hospice is required to provide.

FOR FURTHER INFORMATION

To determine whether Medicare-certified hospice is available in your area contact your nearest Social Security office.

For more detailed information about the Medicare program please refer to ***The Medicare Handbook***. Free copies are available from any Social Security office.

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